



PUBLIC NOTICE

Federal Communications Commission
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DA 03-486

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BELLSOUTH, SBC, AND VERIZON JOINT PETITION FOR WAIVER OF SECTION 54.712 OF THE RULES IS PERMIT-BUT-DISCLOSE PROCEEDING

CC Docket No. 96-45

On February 6, 2003, BellSouth Corporation, SBC Communications Inc., and Verizon Telephone Companies (collectively “Petitioners”) filed a joint petition for interim waiver of section 54.712 of the Commission’s rules. This rule, which states “as of April 1, 2003, the amount of the federal universal service line-item charge may not exceed the interstate telecommunications portion of that customer’s bill times the relevant contribution factor,” was adopted in an order released on December 13, 2002.¹ SBC and the United States Telecommunications Association (“USTA”) filed petitions for reconsideration of portions of the *Contribution Methodology Order* on January 29, 2003. Petitioners seek to maintain the status quo with respect to their current universal service recovery practices, pending the Commission’s resolution of SBC and USTA’s petitions for reconsideration. Specifically, petitioners request the ability to continue to “average among multi-line business customers the reductions in the charges to Centrex permitted under the ‘equivalency ratio’” referenced in section 69.158 of the Commission’s rules. In addition, they seek to continue to average universal contribution costs based on certain interstate charges that are incurred only by some customers, *i.e.*, presubscribed interexchange carrier (PIC) and PIC change charges, within each class of customer.

On February 19, 2002, WorldCom, Inc. and Ad Hoc Telecommunications Users Committee filed oppositions to the Petitioners’ requests.

¹ See 47 C.F.R. § 54.712. See also, *Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability, Truth-in-Billing and Billing Format*, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170, Report and Order and Second Further Notice of Proposed Rulemaking, FCC 02-329 (rel. Dec. 13, 2002) (*Contribution Methodology Order*).

Requests for waiver of the Commission's rules are subject to treatment by the Commission as restricted proceedings for *ex parte* purposes under section 1.1208 of the Commission's rules, unless otherwise provided.² Because of the policy implications and the potential impact of this proceeding on consumers, we believe it would be in the public interest to treat this case as a permit-but-disclose proceeding under the *ex parte* rules.³ Therefore, any *ex parte* presentations, subsequent to the release of this Public Notice, that are made with respect to the issues involved in the subject waiver, will be permissible but must be disclosed in accordance with the requirements of section 1.1206(b) of the Commission's rules.⁴

All written *ex parte* presentations and all written disclosures of oral *ex parte* presentations should reference BellSouth, SBC, and Verizon Petition for Waiver, CC Docket No. 96-45, and DA 03-486 and be filed with the Office of Secretary, Federal Communications Commission, 445 Twelfth Street, S.W., TW-A325, Washington, D.C. 20554.⁵ A copy of each filing should be sent to Qualex International, Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20054 and to Sheryl Todd, Federal Communications Commission, Wireline Competition Bureau, Telecommunications Access Policy Division, 445 Twelfth Street, S.W., 5-B540, Washington, D.C. 20554.

The full text of the petition for interim waiver, oppositions, written *ex parte* presentations, and all written disclosures of oral *ex parte* presentations will be available for public inspection and duplication during regular business hours in the Reference and Information Center (RIC) of the Consumer and Governmental Affairs Bureau, Federal Communications Commission, 445 Twelfth Street, S.W., Room CY-A257, Washington, D.C. 20554. Copies also may be obtained from Qualex International, (202) 863-2893, facsimile (202) 863-2898, or via e-mail qualexint@aol.com. In addition, copies are accessible online through the Commission's electronic comment filing system, <http://www.fcc.gov/cgb/ecfs/>.

For further information, contact Diane Law Hsu or Paul Garnett of the Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400.

By the Acting Deputy Chief, Telecommunications and Access Policy Division, Wireline Competition Bureau.

² 47 C.F.R. § 1.1208.

³ See 47 C.F.R. § 1.1200(a), 1.1206.

⁴ 47 C.F.R. § 1.1206(b).

⁵ See 47 C.F.R. § 1.1206(b).